

SENATE RECORD VOTE ANALYSIS

105th Congress
1st Session

Vote No. 80

May 22, 1997, 1:00 pm
Page S-4949 Temp. Record

BUDGET RESOLUTION/Greater Highway Funding

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1998-2002 . . . S.Con. Res. 27. Domenici motion to table the Warner/Baucus amendment No. 311.

ACTION: MOTION TO TABLE AGREED TO, 51-49

SYNOPSIS: As reported, S. Con Res. 27, the Concurrent Budget Resolution for fiscal year 1998, will balance the Federal budget in fiscal year (FY) 2002 by slowing the overall rate of growth in spending over the next 5 years to below the rate of growth in revenue collections (the Congressional Budget Office recently revised upwards its 5-year revenue estimate by \$225 billion).

The Warner/Baucus amendment would increase total outlays by \$12 billion over 5 years with the intention that the increase be spent on transportation projects. No offsets would be provided on the rationale that the transportation trust fund holds enough in Treasury notes to redeem to accommodate the increased spending. As a result, instead of a slight surplus in 2002, there would be a deficit of \$2.5 billion.

Those favoring the motion to table contended:

Many Senators can be counted on to support spending more money on just about anything. Other Senators are generally opposed to increasing the size of the Government. This latter group of Senators, though, is often willing to increase spending on transportation because such spending on the production side of the economy yields huge dividends. Improving transportation routes lowers production costs and thus causes the economy to grow. Making this amendment even more compelling is that many Senators realize that much of this Nation's transportation infrastructure is in disrepair, and that a portion of the Federal gas tax that could, and should, be going into the transportation trust fund is being diverted to pay for other Government expenses.

However, we still cannot support this amendment. We cannot look at transportation spending in isolation. It is a priority, in

(See other side)

YEAS (51)			NAYS (49)			NOT VOTING (0)	
Republicans (35 or 64%)		Democrats (16 or 36%)	Republicans (20 or 36%)	Democrats (29 or 64%)		Republicans (0)	Democrats (0)
Allard	Hagel	Biden	Abraham	Akaka	Johnson		
Bennett	Hutchison	Breaux	Ashcroft	Baucus	Kennedy		
Bond	Kyl	Cleland	Burns	Bingaman	Kerrey		
Brownback	Lott	Daschle	Coats	Boxer	Kerry		
Campbell	Lugar	Durbin	DeWine	Bryan	Leahy		
Chafee	Mack	Feingold	Faircloth	Bumpers	Levin		
Cochran	McCain	Feinstein	Grams	Byrd	Mikulski		
Collins	Murkowski	Ford	Hatch	Conrad	Murray		
Coverdell	Nickles	Kohl	Helms	Dodd	Reid		
Craig	Roberts	Landrieu	Hutchinson	Dorgan	Robb		
D'Amato	Roth	Lautenberg	Inhofe	Glenn	Sarbanes		
Domenici	Santorum	Lieberman	Jeffords	Graham	Torricelli		
Enzi	Smith, Bob	Moseley-Braun	Kempthorne	Harkin	Wellstone		
Frist	Smith, Gordon	Moynihan	McConnell	Hollings	Wyden		
Gorton	Snowe	Reed	Sessions	Inouye			
Gramm	Stevens	Rockefeller	Shelby				
Grassley	Thompson		Specter				
Gregg			Thomas				
			Thurmond				
			Warner				

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

competition with other priorities, that can only receive funding in the context of balancing the budget. We had a very difficult time negotiating this budget. A lot of trade-offs were made, and we need to stick to those trade-offs in order to get on the path to a balanced budget. We will then literally have years to make adjustments, increasing spending here and cutting it there, and making tax code changes. If we were to agree to the Warner/Baucus amendment now, though, we would add \$12 billion to the deficit and fail to balance the budget by 2002. We would lose before we even started. A lot of 5-year plans to balance the budget have been passed over the years, and they have all failed, but none of them have failed before they were even passed. The Warner/Baucus amendment would establish a new record.

Our colleagues justify this deficit spending by saying that the money will come out of a trust fund. It is an interesting, and pretty selective, argument to make. The United States has between 100 and 150 trust funds. Those funds are not big piggybanks--they are bookkeeping entries. Money is collected for them in a year, and as it is collected it goes into the general fund of the Treasury and is replaced with Treasury notes. Treasury notes are redeemed as money is spent on the purposes for which those trust funds were created. Basically, the funds exist as promises to spend money in the future. For entitlement programs like Social Security, they serve as a guarantee that funds will be provided as a legal right as long as a balance is shown in reserve. The existence of trust funds, though, should not affect the calculation as to whether the budget is in balance. To be in balance, all money coming into the Government must equal all money going out of the Government. Our colleagues have not disputed these points. They freely acknowledge that their amendment would increase the deficit by \$12 billion, but they say that it is justified to spend the money because of the trust fund promise. Basically, they say that the promise outweighs the priority of balancing the budget. Using our colleagues' logic, we would be justified in redeeming hundreds of billions of other dollars from other trust funds this year, thereby running an all-time record high deficit, even though that action would ruin the economy.

Our colleagues need to show a little patience. This budget resolution already assumes that \$8.7 billion more will be spent on highway projects than President Clinton requested. That increase was insisted on by both Republican and Democratic Members of Congress. We note for our colleagues that this increased spending by itself is going to move Congress toward the generally accepted goal of spending \$26 billion annually on roads, bridges, and mass transit. Also, we note that Congress is not going to go into hibernation after this year; this budget will put us on a path to balance, but adjustments are certainly going to be made in ensuing years. There will be plenty of opportunities in the future to find ways to increase transportation spending without hurting our goal of balancing the budget in 2002. On that basis, we urge the rejection of this amendment.

Those opposing the motion to table contended:

The Warner/Baucus amendment is a clarion call. The United States' transportation infrastructure is crumbling, and not enough is being spent to fix it. Plenty of money, though, is being collected for that purpose. Unfortunately, not all of that money is being spent on transportation. The transportation trust fund, for which the Federal gas tax was created, has a large balance. It has that balance because of the accounting rules used by Congress. When Congress collects money for a trust fund and does not spend all that money, it can either spend it for the purpose collected or else spend it on other programs and give the trust fund Treasury notes, which are effectively IOUs. Making matters worse, in 1993 Congress increased the gas tax by 4.3 cents and dedicated every penny of that increase to "deficit reduction." Money of course is fungible; all Congress really did is increase the gas tax to make it a source for general revenues instead of transportation funding. Before 1993, the gas tax effectively served as a user fee; the highway system was paid for entirely by people filling up their gas tanks. We are tired of the highway trust fund being robbed to pay for other spending. We are duty-bound to honor the commitment we made to the American people when we established this "trust."

Most Members in both Houses, on principle, support this amendment. The House just last evening barely defeated an amendment to provide greater transportation funding. The vote here in the Senate will be similarly close. A majority of Senators have already expressed support for increasing yearly funding for transportation to \$26 billion, and the Warner/Baucus amendment would not even go that far. It is just a downpayment on the effort that needs to be made. The vote in the Senate will likely be as close as it was in the House.

The only reason it may be defeated is that it will increase the deficit slightly. However, we think Senators are making too much of that fact. In practical terms its effects on the huge Federal budget will be nonexistent. In 2002, the budget will be close to \$2 trillion, and will be out of balance by only a little more than \$2 billion. These estimates we are using for this budget are just estimates; the most minuscule of changes in any of them would have a greater effect than would the Warner/Baucus amendment. The core of the agreement on spending, taxes, and entitlements would not be touched; just a very small change in transportation spending would be made. In fact, looking at history, this amendment would probably have the net effect of increasing revenues, because building and improving infrastructure has always before led to economic growth, and thus a larger tax base.

We urge our colleagues not to be intransigent. We have a responsibility to provide this funding, providing it will not make any real changes to the agreement, and providing it will benefit the country. This amendment should not be tabled.